

**MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER**

October 27, 2020

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: CODY L. PHINNEY, DEPUTY ADMINISTRATOR

SUBJECT: MEDICAID SERVICES MANUAL CHANGES
CHAPTER 1200 – PRESCRIBED DRUGS

BACKGROUND AND EXPLANATION

The Division of Health Care Financing and Policy (DHCFP) is proposing revisions to Medicaid Services Manual (MSM), Chapter 1200 – Prescribed Drugs, Section 1203.1A, Lock-In Program, to align with the Code of Federal Regulations, 42 CFR § 431.54(e). Revisions to the existing policy include the addition of new policy language concerning the specific period a Medicaid recipient may be placed in Lock-In Program and new clarifying policy language regarding Lock-In Program process.

Throughout the chapter, grammar, punctuation and capitalization changes were made, duplications removed, acronyms used and standardized, and language reworded for clarity. Renumbering and re-arranging of sections was necessary.

Entities Financially Affected: No entities are anticipated to be financially affected.

Financial Impact on Local Government: No financial impact on local government known.

These changes are effective: August 31, 2020.

MATERIAL TRANSMITTED	MATERIAL SUPERSEDED
MTL OL MSM Ch 1200 – Prescribed Drugs	MTL 18/17, 09/17 MSM Ch 1200 – Prescribed Drugs

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
1203.1A(2)(e)	PROVIDER RESPONSIBILITY	Revised section title to “Pharmacy Lock-In Program.” Added a new purpose statement for the pharmacy lock-in program. Removed reference to provider restrictions since lock-in Program is specific to a pharmacy.

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
1203.1A(2)(e)(1)		Removed language explaining the lock-in criteria for reorganization.
1203.1A(2)(e)(1)(a)		Added new language to explain the review process and lock-in criteria for the Lock-In Program.
1203.1A(2)(e)(1)(b)-(d)		Added new language explaining the notice of decision process. Added new policy language concerning the assignment of a pharmacy for a recipient placed in the Lock-In Program.
1203.1A(2)(e)(1)(a)(2)		<p>Revised section title to “Duration of Lock-In Status.”</p> <p>Added new policy language concerning the duration of lock-in status. Added new policy language concerning re-evaluations. Added new language concerning notice of decision for recipients in the Lock-In Program. Relocated section referencing POC system process to under the new Pharmacy Lock-In Program title.</p>
1203.1A(2)(e)(1)(a)(3)		Revised Section title to “Pharmacy Lock-In Exemption.” Revised statement as to when a pharmacy may request lock-in override.